

NORTH DAKOTA PUBLIC SERVICE COMMISSION
February 27, 2002

**Montana-Dakota Utilities Co., a Division of
MDU Resources Group, Inc.
March 2002
Purchased Gas Adjustment-Natural Gas**

**PU-399-02-59
Filed 02/11/2002**

SUMMARY OF PROPOSAL:

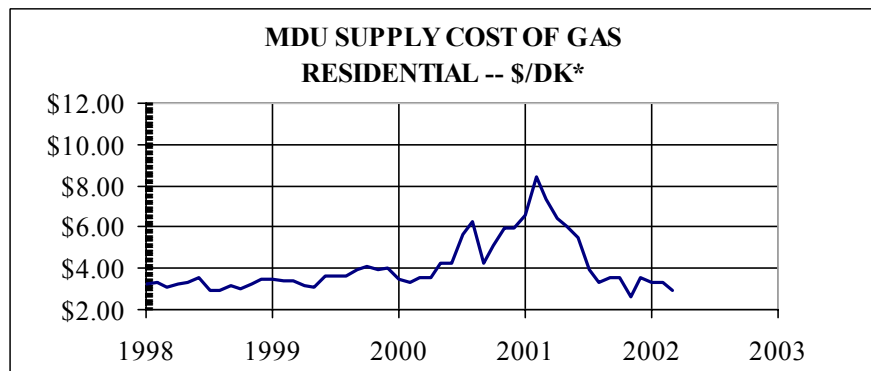
For gas bills issued during March 2002, MDU is decreasing its purchased gas adjustment by \$.360 per dekatherm for residential and firm general service customers. This changes the current purchased gas adjustment from negative \$.389 per dk to negative \$.749 per dk.

The change in the purchased gas adjustment for residential customers results from:

- \$.338 per dk decrease in the commodity cost of gas
- \$.022 per dk decrease for other changes in pipeline rates

The resulting supply cost of gas for March usage is \$2.92

The Department of Energy's Energy Information Administration reports that the lack of heating demand, the weak economy and resultant excess storage levels of natural gas, to date, will keep natural gas prices down for the rest of 2002.



This PGA change will decrease the March bill for a typical residential customer with usage of 12.5 dk by \$4.50. There were 83,000 MDU customers in North Dakota as of December 31, 2001.

The Department of Energy's (DOE) Energy Information Administration (EIA) provides various publications on energy issues. The information is available on the EIA's website: <http://www.eia.doe.gov>.

M O T I O N

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Case No. PU-399-02-59

I move the Commission approve Montana-Dakota Utilities Co.'s Natural Gas
Purchased Gas Adjustment for March 2002, Case No. PU-399-02-59.

PJF/sdh